

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN BILL TASH**, on February 15, 1999 at 3:00 P.M., in Room 437 Capitol.

ROLL CALL

Members Present:

Rep. Bill Tash, Chairman (R)
Rep. Hal Harper, Vice Chairman (D)
Rep. Cindy Younkin, Vice Chairman (R)
Rep. Rod Bitney (R)
Rep. Aubyn A. Curtiss (R)
Rep. Rick Dale (R)
Rep. Bill Eggers (D)
Rep. Ron Erickson (D)
Rep. David Ewer (D)
Rep. Gail Gutsche (D)
Rep. Joan Hurdle (D)
Rep. Dan McGee (R)
Rep. Douglas Mood (R)
Rep. Karl Ohs (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. Bob Story (R)
Rep. Jay Stovall (R)
Rep. Carley Tuss (D)
Rep. Doug Wagner (R)

Members Excused: None.

Members Absent: None.

Staff Present: Deb Thompson, Committee Secretary
Kathleen Williams, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 573, HB 574, HB 596,
2/12/1999

Executive Action: HB 429, HB 458, HB 485, HB
520, HB 539

HEARING ON HOUSE BILL 573

Sponsor: Rep. Sylvia Bookout-Reinicke presented the bill. She explained the bill related to the pipeline that was going through the valley. The valley only had a 6-8 foot water table. People were concerned about the regulation of water among other things. This would bring a change to the imminent domain laws which haven't been changed for a long time. She referred to an amendment. She passed around petitions with signatures. She passed around a photo album.

Proponents: R. Scott Duncan, a real estate broker from Missoula and a property owner in the Nine Mile area, spoke in favor of the bill. He pointed out the eminent domain statute was from the turn of the century when there was a small population. Land holders hold smaller and smaller parcels. He asked the committee to consider the ownership rights and the effect the pipelines and utilities have on the general population. The Missoula County Association of Realtors supported the bill. Mr. Duncan read their position paper regarding condemnation. **{Tape : 1; Side : A; Approx. Time Counter : 6.8 - 14.9}**

Mr. and Mrs. Fisted from the Nine Mile valley spoke as concerned citizens. Betty Fisted read a letter she wrote to the Billings Gazette concerning the impacts from the Yellowstone Pipeline. She distributed an exhibit detailing the Yellowstone Pipeline leak history. **EXHIBIT(nah37a01) {Tape : 1; Side : A; Approx. Time Counter : 14.5 - 21.6}**

Reed Smith from Frenchtown read a letter from Chris Segler a resident of Nine Mile. Segler pointed out there was no benefit to the local community. **EXHIBIT(nah37a02)** Gas spills go into the aquifer and the impacts are extreme. The pipeline company uses intimidating tactics. Most people can't afford to hire a lawyer to fight such large companies as Exxon or Conoco. **EXHIBIT(nah37a03), EXHIBIT(nah37a04)**

Kae McCloy from Pompeii's Pillar spoke in favor of the bill.

Clint McGray, a rancher from Forsyth, testified for the bill.

Dale Tonnel, from Superior, was in favor of the bill.

Ralph Finstad said he was for the bill.

Mike Fellows from Missoula was a proponent.

Betty and Bob Labelle from Alberton were in favor of the bill.

Opponents: Gail Abercrombie, representing Montana Petroleum Association, said the issue was directed at the Yellowstone Pipeline project. She pointed out a change in the eminent domain statute could affect any entity that needs to use eminent domain. **{Tape : 1; Side : A; Approx. Time Counter : 29.4}**

Leo Barry, an attorney from Helena, pointed out this was a localized issue but the bill would have statewide ramifications. The purpose of eminent domain is that an individual cannot stop a project that is designed for the benefit of the whole. He described the process involved in acquiring the property and the evaluation process to determine fair market value which also considers the impact to the remaining property. **{Tape : 1; Side : A; Approx. Time Counter : 32.5-39.4}**

Florence Murphy, representing Express Pipeline, spoke against the bill. She explained the pipeline was a 785 mile, 24" diameter crude oil pipeline, 305 miles lie in Montana. She described the project approval which followed the full EIS process. She pointed out the route was selected to avoid, mitigate and minimize environmental impacts and recognize land owner's requests for special attention on their property. Regular maintenance for pipeline operations is required to protect the public and the environment. **{Tape : 1; Side : A; Approx. Time Counter : 40.6 - 44.4}**

John Augustine, representing Conoco, spoke about the importance of the pipeline. He described the company refinery in Billings that has been in operation since 1949. He said the pipelines are not just in one area but cover the entire state. He gave details of the route. Statistics show pipelines are 50 times safer than railroads and 250 times safer than trucking. **{Tape : 1; Side : A; Approx. Time Counter : 44.5 - 50.3}**

Mike Staley, Manager of Environmental Health and Safety for Cenex Pipelines in Laurel, Montana, spoke against the bill. He explained they operate over 1200 miles of a petroleum pipelines. He pointed out that 57% of all petroleum products were transported by pipeline. Government statistics show that pipelines are the safest mode of transportation. The bill is unnecessary because there are already mechanisms in place to deal with the issue. The bill would mandate the highest level of environmental review for smaller pipeline construction projects and replacement projects. **{Tape : 1; Side : A; Approx. Time Counter : 50.8 - 52}**

Gene Fenderson, representing the Montana Joint Heavy and Highway Committee, comprised of five unions - the Teamsters, Operators, Engineers, Labor, Cement Finishers and the Iron Worker's Union. They are in opposition to the bills. He said this was not the vehicle to make any changes. **{Tape : 1; Side : A; Approx. Time Counter : 52.4 - 53.3}**

Curt Wilson, a construction worker for thirty years, 21 of them in the pipeline industry, and a foreman, testified against the bill. He said he specifically worked in the explosions portion of the industry and also on the environmental crews.

Jerry Driscoll, representing the Montana Building and Construction Trades Council, and construction workers and they were opposed to the bill.

Don Allen, representing Western Environmental Trade Association, those that are the backbone of the economy of the state, were in opposition to the bill.

Webb Brown, with the Montana Chamber of Commerce, spoke against the bill.

Jerry Pottratz, a pipeline and refinery construction worker, was opposed to the bill.

Questions from Committee Members and Responses: Rep. Raney asked if eminent domain affected property rights on the Tongue River railroad. Clint McCray replied his ranch had about 3 1/2 miles that would be crossed by the railroad. One of the sections in the middle is state lands. The railroad cannot condemn state land since state land has all kinds of leverage to negotiate, such as weeds, fire, vehicle crossings, cattle crossings. As soon as that imaginary line is crossed from state land to private land it changes. That landowner, where this may apply, has not been approached other than access negotiations for surveying. This is already a disadvantage to the landowners. Landowners need another option. The bill is not designed to stop a pipeline or a railroad but should give a landowner a little more leverage in their negotiating power.

Rep. Erickson noted that the way the bill is written seems to have expanded the eminent domain issue rather than to address specifically the pipeline concerns. Rep. Bookout-Reinicke said this bill was not to stop the pipeline but to protect private property owners. **{Tape : 1; Side : A; Approx. Time Counter : 57.8 - 60.1}**

Rep. McGee asked if the eminent domain feature was addressing only pipelines. Rep. Bookout-Reineke said this was using the same language that was in the Major Facilities Siting Act for condemnation for power lines. She said this bill would address pipelines. She read from a federal report from the Environmental Defense Fund and the Office of Pipeline Safety. "The era of buried pipelines operating out of sight and out of mind is over. The safety of pipelines law does not make companies liable for releases so releases are going up. While releases from tanker and barge transport are decreasing as a result of the Oil Pollution Act of 1990's Liability Provisions. Congress needs to follow up this hearing by amending the Act so it includes liability provisions. Additionally, Congress should increase oversight of the federal pipeline agency, including examining the offices enforcement record." Rep. Bookout-Reineke explained her whole purpose was to protect private property. **{Tape : 1; Side : B}**

Rep. Ewer asked Leo Barry if he thought the bill was a result of a local issue. Barry replied this bill was generated by local interest though there are other interests elsewhere that have similar concerns.

Rep. Ewer asked if there was any other way to address the issue. He asked if the valid and legitimate interests of corporations for the public good so gasoline is available could be balanced with the public who does not feel they are getting treated right. Barry replied that he did not think the eminent domain laws needed to be changed. Barry discussed ways the pipeline companies had been working at resolving situations. This current issue is being evaluated by the U.S. Forest Service and various routes are being analyzed pursuant to the impact statement. The pipeline will not be reconnected without the Forest Service completing that process and issuing permits. The EIS is worked on cooperatively between the Forest Service, the State of Montana Department of Environmental Quality and the various counties.

Rep. Tuss pointed out the complaints regarding the ability of the state to bargain better for the state than the private can bargain for themselves. Barry discussed the process the state uses. He explained the state does not grant title but does grant easements regularly for pipelines and other utilities to use state land. A condemner cannot just take the property, they have to go through a judicial process. The court has jurisdiction over the terms of that condemnation. If there are terms that are negotiated with the State Land Department because they have that additional leverage, their land cannot be condemned. You cannot condemn School Trust Land. If the state has leverage and succeed in getting certain concessions, such as dealing with noxious weeds, type of construction, re-vegetation, etc, the local court

can require those also as part of the condemnation process. He said he thought the leverage of the state worked to the benefit of the private land owner. Rep. Tuss asked why the private land owner had to go to the courts for the same opportunity to leverage that the state can go through; could this be addressed up front. Barry said these same standards can be applied to the private.

Rep. Ohs asked Gail Abercrombie if section 3 changed the eminent domain law that would make a highway project more difficult. Ms. Abercrombie replied the bill had a broader reach because it applied to anything that required eminent domain.

Rep. Story asked Florence Murphy to address ways they dealt with the environmental review. Murphy explained the cleaning process of their machinery to avoid spreading weed seed. Rep. Story asked about the eminent domain issue. He said now the "viewshed" has significant affect on property values. Mr. Barry responded that when a company goes to condemn property the value of the property and impacts on remaining property must be addressed.

Rep. Tash asked about negotiated right of ways that settled for damage to the remainder. Mr. Duncan responded that the values considered were extremely different than market values. He pointed out condemnation affects the rights of the private land owner. He felt the companies were not fair. **{Tape : 1; Side : B; Approx. Time Counter : 28.2}**

Closing by Sponsor: Rep. Bookout-Reinicke closed. She pointed out this was not isolated but a statewide problem. The pipelines do not benefit Montana alone since 80-95% end up in Washington State, which is the common good of Washington. This is a property rights issue.

HEARING ON HOUSE BILL 574

Sponsor: Rep. Sylvia Bookout-Reinicke, HD 71, presented the bill. She said the bill would allow additional protection. When there is a Major Facility Siting Act project, there are additional environmental reviews going on. The bill changes the language that says any pipeline transporting hazardous or deleterious materials are subject to the Act. The Act for linear facilities, apply to local, state and federal management plans when public lands are crossed. She asked why local communities could not have the same rights as public lands. She pointed out the communities may not want a pipeline near a school or church. **{Tape : 1; Side : B; Approx. Time Counter : 38.1}**

Proponents: Kay McCoy, a rancher from Pompeii's Pillar, spoke about the need to update the eminent domain law. The pipeline from Laurel to Glendive is 54 years old and should be replaced. Since this is a 10" pipeline the safety features provided by the Major Facilities Siting Act do not apply. **{Tape : 1; Side : B; Approx. Time Counter : 40.1 - 43.3}**

Dale Tonnel, a retired federal investigator and pipeline inspector from Superior, spoke in favor of the bill. He said he was concerned about construction variation used by companies that build the pipelines. He pointed out the question of spills in the past were not so much the issue of damage to the pipeline but whether the companies would clean up their spill and take care of the damages. He said liability to the property owner needed to be addressed. If a spill has migrated from an easement area that affects adjoining property owners, the difficulty of getting restitution from the company falls on the land owner. There is a major risk of not being reimbursed. Major companies are no longer liable for damages caused by subsidiaries so individuals can not always reach the Exxon's or the Conoco's in the case of damage. There may not be availability of funds to clean up the mess.

R. Scott Duncan, from Missoula, urged passage of the bill. He pointed out any legislation that encouraged safety and clean operation of bidding and operating a pipeline and being under the Major Facilities Siting Act was important.

Reed Smith, from Frenchtown, supported the bill. This would give the state the authority to do the analysis on private land and also put stipulations on how a pipeline is built and run. Currently, there is no authority for the state to do that on private lands for pipelines that are smaller than 17". **{Tape : 1; Side : B; Approx. Time Counter : 51.6}**

Betty and Bob Lavelle, from Alberton, said they were in support of the bill.

Betty and Ralph Fisted, from Nine Mile, were for the bill.

Clint McCray, from Forsyth, was for the bill.

Opponents: Leo Barry, representing Yellowstone Pipeline Company, testified against the bill. He pointed out the Major Facilities Siting Act was a major policy legislation that was passed in 1973. It was originally designed to address interests at Coalstrip 3 and 4 and the 500 KB lines coming out of that. This major legislation should not be changed without some serious thought. He referred to page 3, line 22, which changed the

definition of facility to include pipelines more than 30 miles and less than 17". The last time that provision was changed was in 1985. An evaluation had been done at that time. Prior to the change in the law, each pipeline was subject to the Major Facilities Siting Act. After the 1985 Session, each pipeline of greater than 17" or 30 miles is covered by this Act. The department did an evaluation of the types of projects and what type of impact major projects would have. Projects of less than 17" did not involve the kind of environmental impact that would necessitate being administered under the siting act. Over 17" pipelines had different impacts, given the construction techniques at that time. He discussed pipelines that pass schools, had been in the ground since 1954 and had coexisted since construction. He passed around photos that were adjacent to the pipeline in Missoula. **EXHIBIT (nah37a05)** He pointed out the leaks along the Yellowstone Pipeline, 99.7% occurred prior to 1988. This is a result of better testing and changes in the industry. The pipelines are covered by other environmental laws, they are subject to the Clean Water Act, the Clean Air Act, the Cultural Resources Act, the 310 Permits, the 404 Permits from the Corp of Engineers, and the Endangered Species Act. The Superfund law covers any leaks from these types of facilities. There are cleanup requirements that the state has authority over. He did not think the bill was needed and recommended the bill not pass **{Tape : 1; Side : B; Approx. Time Counter : 53.4}**

Gail Abercrombie, Executive Director of the Montana Petroleum Association, testified against the bill. She pointed out this would add administrative and construction costs and delays for minimal results. There are so many other existing laws and permit requirements in place. The construction procedures will not change because they are going across private property. **{Tape : 1; Side : B; Approx. Time Counter : 61.5}**

Curt Wilson, a resident of Great Falls, spoke against the bill. He explained he had been in the construction industry for 30 years, 21 years in the pipeline industry, and the last 5 as a foreman. He noted the safety of a pipeline was far superior as opposed to any other type of transportation. He details the pipeline construction in the past and currently with fusion bonding epoxy process. He said the industry has upgraded extensively, had made great strides in monitoring and training. **{Tape : 2; Side : A}**

Mike Staley, Manager of Environmental Health and Safety for Cenex Pipeline, was against the bill.

Jim Thompson, Director of Environmental Affairs for Yellowstone Pipeline Company, was an opponent.

Jerry Pottratz, a construction worker from Black Eagle, was against the bill.

Gene Fenderson, Montana Joint Heavy and Highway Committee, was against the bill.

Don Allen, Western Environmental Trade Association, was an opponent.

Webb Brown, Montana Chamber of Commerce, was against the bill.

Jill Andrews, Montana Mining Association, opposed the bill.

John Augustine, with Conoco, was against the bill.

Informational Witnesses: Ty Swedaline from Missoula, representing himself, said nobody disputes the need for pipelines, the product has to get there somehow. The question is how safe are they going to be. He noted petroleum products are becoming more water soluble. Petroleum products float on water and can be retrieved; by adding oxygenates they dissolve in water and then become hard to remediate.

Art Kauffman, from the Department of Environmental Quality, said the department was asked by Rep. Bookout-Reinicke to provide information on the manner in which they administer the Montana Environmental Policy Act and indirectly the Major Facilities Siting Act. State agencies in addressing the EIS must address the personal property rights issue. He was asked by Rep. Bookout-Reinicke to point out when the state deals with a personal property rights issue in an environmental analysis, that it is going with the property rights and the economic interest of the project sponsor, not the landowner. **{Tape : 2; Side : A; Approx. Time Counter : 5.6 - 9.5}**

Questions from Committee Members and Responses: Rep. Ewer asked if the small pipelines should be addressed by the Major Facilities Siting Act. Art Compton discussed the Act being different from MEPA in that it had additional decision criteria. Requirements for linear facilities only, determine economic need which MEPA does not require. The Act requires that the agency choose best alternatives with the least environmental impact. MEPA doesn't require that. MEPA is a procedural statute which addresses what hoops to jump through but does not go as far as the siting act with respect to substantive decision criteria. The effect of the bill would be to bring the smaller pipelines from the MEPA realm to the Major Facilities Siting Act realm which does require a more stringent review.

Closing by Sponsor: Rep. Bookout-Reinicke closed. She said this bill would give extra protection to property rights. It would require a more thorough review of ramifications to ground water. She noted Congressman Rick Hill had talked about the attachment to land was as deep as the attachment to families. ***{Tape : 2; Side : A; Approx. Time Counter : 20-25.3}***

HEARING ON HOUSE BILL 596

Sponsor: Rep. Roger Sommerville, HD 78, presented the bill. He referred to a three ring binder book that described water quality standards, regulations and rule requirements on Montana's waters. The consolidated rules are in the book which was issued in 1994 and there had been some updates. It was issued to consultants who required a copy. Unfortunately, the book is updated periodically but changes do not go out to everyone. This leave a lot of confusion in the field of consultants who have to read the book to find out what has to be done. This bill would allow the establishment of a program to update the book at least every five years if not sooner. This would allow individuals to have something to work with so when they are submitting applications there will not be a lot of complications. The department is in the process of putting this on the Internet, electronically. The bill addresses this issue asking the department to update in that same time period. The issue focuses on updating research methods, which cannot be done now because they are not in the book. ***{Tape : 2; Side : A; Approx. Time Counter : 27.7 - 32.7}***

Proponents: Jim Kembel, representing the Montana Technical Council, spoke in favor of the bill. He said the council was made up of architects, engineers, land surveyors and landscape architects. The concerns they had addressed by the bill was consistency in the review process so they know at all times what those standards are so they can adjust their designs accordingly. ***{Tape : 2; Side : A; Approx. Time Counter : 32.9}***

Steve Snezik, representing the Montana Association of Realtors, spoke in support of the bill.

Opponents: None

Informational Witnesses: Jan Sensibaugh, representing DEQ, said they worked at crafting the language of the bill. It is something that should be done. She noted language regarding the bid process was to avoid the CI-75 problem.

Questions from Committee Members and Responses: Rep. Curtiss asked about costs involved. Rep. Somerville replied the cost was

no problem to update in respect to saving the clients thousands of dollars, especially if the work had been done, submitted to the agency, and the professional found out they had been using something out of date. Changes in personnel can mean employees may not even be knowledgeable of what is in the book. Updating saves money.

Closing by Sponsor: Rep. Sommerville closed. **{Tape : 2; Side : A; Approx. Time Counter : 44.8 - 45.8}**

EXECUTIVE ACTION ON HOUSE BILL 485

Rep. Younkin **MOVED TO PASS.** The Erickson amendments were discussed. **EXHIBIT (nah37a06)** Rep. Erickson said this would address Joe Lamson's concerns.

Rep. Tash asked Mr. Lamson to talk about the conservation easements offered in lieu of the timber sale was a specific period of time so it did not interfere with ongoing timber management. Lamson said it was the position of the Land Board that this resource be still maintained. The trees are still there at the end of the ten years.

Rep. Erickson **MOVED THE AMENDMENTS.** Rep. Anderson addressed the amendments. He said by striking subsection two in its entirety it takes away too much of the bill. The reason is if you have a proposed timber sale for fire hazard or for bugs, proper management might suggest you have the timber sale. This takes away the opportunity to evaluate that. As far as #3 amendment, "shall" to "may" permits the conservation easement to escape environmental review process and changes the bill. This would result in two separate review processes.

{Tape : 2; Side : B}

Rep. Story said he was opposed to the amendments. He pointed out during the timber sale process a conservation license applicant has an opportunity to get in. In some cases, the board would go through the whole process on a timber sale and in the end someone could ask for a conservation license. The board would be obligated to go through another analysis.

The question was called on the amendment. The motion **FAILED** 6-14.

Rep. Raney asked about the bond. Kathleen Williams replied it was a timber sale bond and was referenced in 77-5-202. This refers to agreement with purchaser and a bond. Rep. Raney asked if this was an enormous amount of money and if these bonds were

to make sure they cleaned up the slash and the roads put back. Williams said this was tailored to the timber sales. The bond has to equal the potential loss to the state. Rep. Tash pointed out the equal bonding would provide for a fair bidding process. This optimizes the return to the School Trust Lands, whether it be timber or conservation license.

Rep. Hurdle said she thought the conservation licenses were going to be encouraged where people thought they were appropriate. Rep. Younkin pointed out the reason for the bond was to make sure a license holder would pay. This would protect the loss to the School Trust. Rep. Raney noted this did not seem to fit under controlling slash, since the bond being required of a conservation license was for something you were not going to do. Rep. Harper thought the department should pass a rule to clarify this. The law was not tailored for a timber conservation license. **{Tape : 2; Side : B; Approx. Time Counter : 7.2 - 11.0}**

Rep. McGee noted the purchaser of a conservation license are required to pay the fees for forest improvement that are included in the terms of the sale bid. This refers to the basis for the bond to begin and what it may include. The details are worked out in the terms of the sale bid. **{Tape : 2; Side : B; Approx. Time Counter : 11.2}**

Rep. Tash commented that the purpose of the bill is to encourage conservation easements in lieu of timber sale.

Rep. Wagner said he would resist the amendment. He pointed out that Director Clinch was serious about administering the School Trust Land. The conservation easement would only be ten years and then the timber sale would come up again. The terms of the timber sale would take care of improving water quality, road repair, culvert enhancement, or stream bank restoration. Rep. Tash noted the timber is still growing but in the interim there has to be proper management of the resource.

The question was called on the bill as is. The motion **PASSED** 14-6.

EXECUTIVE ACTION ON HOUSE BILL 429

Rep. Younkin **MOVED DO PASS**. She explained amendment #2904. She **MOVED** the amendment. The amendment would allow for a new permit for non-consumptive use and the burden would be on the applicant to prove a need. The question was called. The motion **PASSED** unanimously.

Rep. Younkin proposed a second set of amendments that had been distributed by Rep. Shockley at the hearing. These amendments includes the entire basin but breaks them down by sub-basin through the adjudication process, then the two year period would start. The question was called. The motion **PASSED** unanimously.
{Tape : 2; Side : B; Approx. Time Counter : 42.5}

Rep. Younkin **MOVED DO PASS AS AMENDED**. The question was called. The motion **PASSED** unanimously.

EXECUTIVE ACTION ON HOUSE BILL 539

Rep. Younkin **MOVED DO PASS**. Rep. Tash noted this would remove the requirement that a member from the Governor's staff appointed to the Flathead Basin Commission serve as Executive Director, allowing the commission to hire staff.

Rep. Dale pointed out the need for the staff to be in the community rather than in the Governor's Office. Rep. Ohs said the Commission already has a high profile. They are just asking that the person does not have to be the Executive Director. Local control is better.

The question was called. The motion **PASSED** 13-7, with Reps. McGee, Curtiss, Hurdle, Erickson, Harper, Gutsche and Raney voting no.

EXECUTIVE ACTION ON HOUSE BILL 458

Rep. Ohs explained the amendments were from Mr. Blomquist. **{Tape : 2; Side : B; Approx. Time Counter : 58.3}**

Rep. Tash noted this was a product of the EQC dealing with stream management practice. The BMP's have been demonstrated to be effective policy and then this addresses voluntary practice.
{Tape : 3; Side : A}

The question was called on the Blomquist Amendment. The motion **PASSED**, 16-4, with Reps. Erickson, Tuss, Gutsche and Hurdle voting no.

Rep. Younkin **MOVED** the bill as amended. Rep. Harper commented the bill would be valuable. The EQC works wonders without fanfare. The forest products industry has produced good BMP's. The TMDL's will impact other money making activities. Rep. McGee felt the concept of "stakeholders" should say "interested

persons". Rep. Ohs pointed out the term was part of the TMDL legislation.

Rep. Dale **MOVED** an amendment. He discussed amendment #2 being tied to the wood products industry. The bill ties to the TMDL advisory group and keeps it local. The amendment was suggested by the Montana Wood Products Association. Kathleen Williams said she would link this with existing groups. **{Tape : 3; Side : A; Approx. Time Counter : 6.9 - 8.4}**

Rep. Tash pointed out the TMDL's represent entities of regulated industries. The BMP is voluntary and it is important to maintain that.

The question was called on the Dale Amendment. The motion **PASSED** with Rep. McGee voting no.

The question was called on the bill as amended. The motion **PASSED**, 16-4, with Reps. Bitney, Curtiss, McGee and Mood voting no.

ADJOURNMENT

Adjournment: 7:23 P.M.

REP. BILL TASH, Chairman

DEB THOMPSON, Secretary

BT/DT

EXHIBIT (nah37aad)